



[4310-T2]

DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

[Docket No. ONRR-2011-0018]

Notice of Proposed Audit Delegation Renewal for the State of New Mexico

AGENCY: Office of Natural Resources Revenue, Interior.

ACTION: Notice.

SUMMARY: The State of New Mexico (State) is requesting that the Office of Natural Resources Revenue (ONRR) renew current delegations of audit and investigation authority. This notice gives members of the public an opportunity to review and comment on the State's proposal.

DATES: Submit written comments on or before **(INSERT DATE 30 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*).**

ADDRESSES: You may submit comments on this notice by any of the following methods:

- Electronically go to <http://www.regulations.gov>. In the entry titled "Enter Keyword or ID," enter ONRR-2011-0018, and then click search. Follow the instructions to submit public comments. The ONRR will post all comments.
- Mail comments to Hyla Hurst, Regulatory Specialist, ONRR, P.O. Box 25165, MS 64000A, Denver, Colorado 80225. Please reference the Docket No. ONRR-2011-0018 in your comments.

- Hand-carry comments or use an overnight courier service. Our courier address is Building 85, Room A-614, Denver Federal Center, West 6th Ave. and Kipling St., Denver, Colorado 80225. Please reference the Docket No. ONRR-2011-0018 in your comments.

FOR FURTHER INFORMATION CONTACT: For questions on technical issues, contact Paul Tyler, State and Indian Coordination, Coordination and Enforcement Management, ONRR, telephone (303) 231-3704. For comments or questions on procedural issues, contact Hyla Hurst, Regulatory Specialist, ONRR, telephone (303) 231-3495. You may obtain a paper copy of the proposals by contacting Ms. Hurst by phone or at the address listed above for mailing comments.

SUPPLEMENTARY INFORMATION: The following official is the State contact for this proposal:

State	Department	Contact Information
New Mexico	Taxation and Revenue Department, Oil and Gas Bureau	Valdean Severson 1200 South St. Francis Drive Santa Fe, NM 87502-4034

ONRR received the State's proposal on December 23, 2011. In accordance with 30 CFR 1227.101(b)(1), the State requests that ONRR delegate the royalty management functions of conducting audits and investigations. The State requests delegation of these functions for producing Federal oil and gas leases within the State boundaries; as applicable, for producing Federal oil and gas leases in the Outer Continental Shelf, subject to revenue sharing under 8(g) of the Outer Continental Shelf Lands Act, 43 U.S.C. 1337(g); and for other producing solid mineral or geothermal Federal leases

within the state. The State does not request delegation of royalty and production reporting functions.

The State of New Mexico requests 100-percent funding of the delegated functions for a 3-year period beginning July 1, 2012, with the opportunity to extend for an additional 3-year period. The State has a current audit delegation agreement with ONRR, as shown in the table below.

State	Agreement Numbers	Term
New Mexico	D12AX70004 0206CA27654	10/01/2011 – 06/30/2012 07/01/2006 – 09/30/2011

Therefore, ONRR has determined that we will not hold a formal hearing for comments under 30 CFR 1227.105.

____March 2, 2012____
Date

Gregory J. Gould
Director,
Office of Natural Resources Revenue

[FR Doc. 2012-5670 Filed 03/07/2012 at 8:45 am;
Publication Date: 03/08/2012]